



Title: I, Payroll/Personnel Manual

Chapter: 28, Section 2, Tax Formulas (TAXES)

Bulletin: TAXES 05-33, Federal Insurance Contribution Act (FICA)

Date: December 22, 2005

To: Deputy Administrators for Management
Holders of the Payroll/Personnel Manual
Personnel User Groups
Agency Personnel Offices
Fiscal Officers

Effective January 1, 2006, the wage base for FICA will change. Beginning with wages paid for Pay Period 25, the National Finance Center (NFC) will increase the wage base from \$90,000 to \$94,200. There is no limit on Medicare wages. The Social Security and Medicare withholding tax rates remain unchanged at 6.2% and 1.45%, respectively.

No action on the part of the employee or the personnel office is necessary.

For questions about NFC processing, contact the Payroll Operations Branch at **504-255-4630**. Please refer questions about system access and other system-related issues to Customer Support at **504-255-5230** or via e-mail at customer.support@usda.gov.

for
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